



**Government Response to the  
Standing Committee Reports –  
2020-21 ACT Budget and the *Appropriation  
Bill 2020-2021* and the *Appropriation (Office  
of the Legislative Assembly) Bill 2020-21***

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**Treasurer**

**April 2021**



## INTRODUCTION

The 2020-21 Budget demonstrates the Government's commitment to rebuilding Canberra as the community recovers from the impact of the global pandemic.

Given the significant economic impacts arising from COVID-19, this Budget has focused on ensuring the continuation of an effective public health response, while also pursuing key priorities detailed in the *Parliamentary and Governing Agreement for the 10<sup>th</sup> Legislative Assembly*. This Budget provides for a range of actions to improve the wellbeing of Canberrans, focusing on improving our environment, addressing climate change, protecting and creating jobs and supporting our most vulnerable people.

While the pandemic shutdown initially saw over 10,000 jobs lost in the Territory, mainly in the services sector, private sector economic activity has increased as restrictions have eased, resulting in employment levels returning to close to pre-COVID levels, albeit unevenly across sectors. Economic risks do, however, remain. Any further delays in the rollout of the vaccination program, any unexpected impacts associated with the recent end of the Commonwealth's JobKeeper program or significant future outbreaks could influence our recovery trajectory.

Continuing the Government's provision of services and infrastructure to improve the wellbeing of Canberrans, while also strengthening economic recovery through increased investment has been a fundamental priority of the 2020-21 Budget. New investment into sustainable climate change actions, measures to improve housing affordability, progressing Light Rail Stage 2, the Canberra Hospital expansion and new schools in Gungahlin are all working towards these goals.

The COVID-19 pandemic significantly reduced the Government's own-source revenue, and as such, the Territory's return to a net operating balance will need to be managed, a task that will be undertaken over the longer term. The Government expects the Headline Net Operating Balance position to remain in deficit over the forward estimates period, and that gross debt will increase over the same period.

Despite the challenging tasks of supporting the economic recovery and providing improved service levels to Canberrans, we are also ensuring our fiscal and debt settings remain consistent with maintaining the Territory's recently reaffirmed AAA credit rating.

Following the conduct of the ACT Legislative Assembly Standing Committee's inquiries into Annual and Financial Reports 2019-2020 and ACT Budget 2020-2021 over 19 February to 5 March 2021, the various Standing Committees have now released their reports.

In contrast to prior years, the Standing Committees have reported separately (in comparison to the single Appropriation Bill related report produced by the former Select Committee on Estimates), with the majority of reports containing recommendations relating to the 2019-20 Annual and Financial Reports, and the 2020-21 Budget and Appropriation Bills.

This response only addresses those recommendations related to Budget matters. Annual Report matters will be responded to later in the year within the four month timeframe consistent with ACT Legislative Assembly Standing Order 254B.

The Government wishes to acknowledge the role played by the Committees in scrutinising the Budget, and we have endeavoured to respond fully to the many questions asked during the Estimates process.

The Public Accounts Committee also engaged the services of Pegasus Economics in undertaking an independent and detailed study of the Territory's Budget. The Pegasus Report addressed a wide range of issues relating to technical components of the Budget. On 1 April 2020, the Government provided a response to the Chair of the Public Accounts Committee addressing the matters raised in that Report.

The Government thanks the Committees for their reports, which have made 54 recommendations on budget matters on a wide range of issues across all government portfolios. In our response, the Government has:

- agreed to 25 recommendations;
- agreed in principle to 12 recommendations;
- agreed in part to two recommendations;
- noted 14 recommendations; and
- not agreed to one recommendation.

The Government remains committed to being open and transparent in its budget reporting, ensuring that our practices strengthen the integrity and accountability of the management of the Territory's public finances. The Government's response to each of the individual recommendations of the Committees is detailed in the following pages.

## **RESPONSES TO RECOMMENDATIONS**

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## **RESPONSES TO RECOMMENDATIONS**

### **Standing Committee on Justice and Community Safety – March 2021**

The Standing Committee on Justice and Community Safety released *Report 1 – Annual and Financial Reports 2019-2020; Appropriation Bill 2020-2021 and Appropriation (Office of the Legislative Assembly) Bill 2020-2021* on 31 March 2021. All 19 recommendations provided in the report relate to the Annual Report Hearings. Consequently, these recommendations have not been addressed in this response but will be addressed by Government within the four month timeframe consistent with ACT Legislative Assembly Standing Order 254B.





## Standing Committee on Public Accounts – March 2021

The Standing Committee on Public Accounts released Report 1 – *Annual and Financial Reports 2019-2020; Appropriation Bill 2020-2021 and Appropriation (Office of the Legislative Assembly) Bill 2020-2021* on 31 March 2021. The response below addresses the recommendations relating to the 2020-21 Budget and the Appropriation Bills.

### RECOMMENDATION 1

**The Committee recommends that the ACT Government provide economic analysis of the stimulus it provided during the early stages of the COVID-19 pandemic.**

#### Government response

Noted.

The Government's COVID-19 response has been the largest economic support package in the Territory's history, significantly greater than measures announced during the Global Financial Crisis. This support has been designed to be responsive, targeted, and in most cases, time-limited. It has also evolved over time reflecting the evolution of the pandemic and its associated economic consequences, initially focussing on assisting households and businesses to manage the significant income and employment effects of the COVID-19 pandemic. The focus has now shifted to supporting the recovery of the economy and community and targeting assistance to those sectors of the economy that continue to be affected by the necessary public health restrictions associated with the pandemic, particularly the ongoing closure of international borders.

#### ACT Government Response

A comprehensive range of support measures was announced during the early stages of the COVID-19 pandemic to support industry and parts of the economy most in need. These initiatives were outlined in a Ministerial Statement on the ACT Economic Response to COVID-19 presented by the Treasurer to the Assembly on 18 June 2020. Further announcements were made by the Government in following months which were outlined in the August 2020 Economic and Fiscal Update, released on 27 August 2020. The 2020-21 Budget also contains a range of measures that extend some of the support previously provided or provide additional support to sectors that continue to be affected by the economic impacts of the pandemic.

The key measures to support households over the course of the pandemic to date include:

- No increase in average general rates for residential properties in 2020-21, including a \$150 rebate for almost 180,000 households.
- Freezing all 2020-21 vehicle registration, parking and public transport fees at 2019-20 levels.
- Over \$11 million to support the most vulnerable in the community.

- Providing a \$200 rebate to households receiving the Utilities Concession and a \$250,000 hardship fund to assist electricity retailers to provide assistance to customers.
- Rental assistance for tenants impacted by COVID-19 through encouragement of landlords to reduce rent by 25 per cent with half the cost shared by the government through a land tax rebate.
- A rent rebate of \$250 to all 12,000 households in the ACT public housing portfolio.
- Additional \$61 million investment in public housing, including maintenance and sustainable upgrades of existing housing.
- \$9 million to help protect local jobs in community services.
- Reduction of stamp duty for eventual owner-occupiers on the purchase of new land single residential blocks and off-the-plan apartment and townhouse purchases.

The Government also implemented a range of measures to reduce cost pressures on businesses and support employment including:

- A rebate of the commercial rates fixed charge of \$2,622 in 2019-20 and no increase in average annual general rates in 2020-21 for commercial properties with an Average Unimproved Value of less than \$2 million.
- An electricity rebate of \$750 for small businesses.
- Payroll tax waivers and deferrals for businesses significantly affected by COVID-19 restrictions and a payroll tax exemption for JobKeeper payments made to employees.
- Waiving or freezing a range of fees and charges including the Fire and Services Emergency Levy, the City Centre Marketing and Improvement Levy, food business registration fees, liquor licensing fees and on-demand transport licence fees.
- Supporting commercial tenancy rent relief and owner-occupiers of commercial properties through rates rebates to commercial property owners who provided rent relief to tenants significantly affected by the pandemic.
- A reduction in the lease variation charge to support the construction industry.
- \$10 million in rental relief for tenants in ACT Government owned properties.
- Expansion of the HomeFront Grants program.
- The ChooseCBR digital discount voucher initiative to encourage spending at local businesses.

Employment and jobs have also been directly supported through:

- Nearly \$30 million for the Jobs for Canberrans fund to allow directorates to employ additional workers on short-term contracts to help deliver projects and programs of benefit to the Canberra community.

- \$6.15 million for a Youth Support Package to help ease the financial stress for young carers, foster and kinship carers and young people and create and protect local jobs for younger Canberrans, including a six-month payroll tax exemption for businesses who take on new or additional apprentices.
- Over \$10 million to support skills training, including through the ACT's participation in the JobTrainer Fund.

Another key element of supporting the recovery of the economy has been the acceleration and/or funding of various major infrastructure projects, and reaffirmation of the Government's commitment to delivering existing projects. Key projects infrastructure projects committed to by Government include:

- \$45 million to fast-track infrastructure and maintenance projects across Canberra, supporting over 2,000 jobs (headcount).
- Progressing work to take light rail to Woden and raise London Circuit.
- Constructing the last portion of John Gorton Drive, including a bridge across the Molonglo River.
- Continuing work on the Canberra Hospital Expansion Project and the rollout of the walk-in health centre network.
- The creation of a new Canberra Institute of Technology (CIT) campus in Woden alongside associated public transport works.
- A significant program to expand and build new schools to meet growing demand for these services.
- Growing and renewing more public housing.
- Building the Big Canberra Battery and implementing a broad range of climate change response initiatives, including the Vulnerable Household Energy Support scheme.
- \$45 million for a new fire and ambulance station in central Canberra as part of the COVID-19 jobs and economic recovery plan.
- \$13.9 million investment to upgrade two of Canberra's entertainment and dining strips.

### Initial Economic Comparison

The following tables provide an indication of the magnitude of the economic stimulus provided by the ACT and other jurisdictions relative to the size of each economy.

These figures are indicative only as they rely on Commonwealth reporting of announcements by other state and territory governments of their COVID-19 support measures. Accordingly, there may be some duplication and they are not necessarily consistently classified across jurisdictions. Greater consistency and comparability across jurisdictions will be possible when ABS Annual Government Finance Statistics (GFS) data for 2020-21 becomes available in April 2022.

The Commonwealth figures in Table 1 below reflect announcements made by state and territory governments until 18 December 2020, by which time all jurisdictions had released their 2020-21 Budgets except for the ACT.

**Table 1: State and territory COVID-19 responses relative to GSP, 2020, Commonwealth Treasury data as of 18 December 2020 for all jurisdictions.**

State/ Territory	GSP June 2020	Size of Total Support	Total Support <sup>a</sup>
	\$ m	\$ m	Percent GSP
ACT	40,902	913	2.23
NT	26,153	797	3.05
TAS	32,102	1,511	4.71
SA	108,334	2,520	2.33
WA	292,284	10,802	3.7
QLD	363,524	17,814	4.9
VIC	458,895	30,534	6.65
NSW	624,923	21,083	3.37
<b>Total/average</b>	<b>1,947,117</b>	<b>85,975</b>	<b>4.42</b>

**Sources:** ABS 5220.0, 6202.0 Commonwealth circular of state and territory COVID-19 response announcements and CMTEDD calculations.

- a. Data for all states and territories are drawn from a circular prepared by the Commonwealth on state and territory COVID-19 response announcements to 18 December 2020. These data included announcements in all jurisdictions' 2020-21 Budgets apart from the ACT (as the ACT 2020-21 Budget was not released until after this time).

As the above does not include 2020-21 ACT Budget announcements, but does for all other jurisdictions, Table 2 has been produced below to allow an analysis of the support relative to the size of each economy. To further enhance comparability, further analysis has been undertaken to exclude the Commonwealth's contribution to the economy. This provides an indication of the support provided to the local economy in each jurisdiction as state and territory support was not directed at supporting the Commonwealth. The table also shows the support relative to the number of jobs lost early in the pandemic.

**Table 2: State and territory COVID-19 responses relative to GSP, 2020, ACT budget data for the ACT and Commonwealth Treasury data as of 18 December 2020 for all other jurisdictions.**

State/ Territory	GSP June 2020	Size of Total Support	Total Support <sup>a</sup>	GSP excluding Commonwealth spending <sup>b</sup>	Support as proportion of GSP excluding Commonwealth spending <sup>b</sup>	\$ spent per job lost <sup>c</sup>
	\$ m	\$ m	Percent GSP	\$m	Percent	\$
<b>ACT</b>	40,902	1,641	4.01	17,677	9.28	159,556
<b>NT</b>	26,153	797	3.05	22,202	3.59	131,020
<b>TAS</b>	32,102	1,511	4.71	28,145	5.37	79,248
<b>SA</b>	108,334	2,520	2.33	94,670	2.66	52,003
<b>WA</b>	292,284	10,802	3.70	275,694	3.92	113,368
<b>QLD</b>	363,524	17,814	4.90	326,542	5.46	86,829
<b>VIC</b>	458,895	30,534	6.65	414,063	7.37	152,614
<b>NSW</b>	624,923	21,083	3.37	567,195	3.72	78,460
<b>Total/ average</b>	<b>1,947,117</b>	<b>86,702</b>	<b>4.45</b>	<b>1,746,188</b>	<b>4.97</b>	<b>101,629</b>

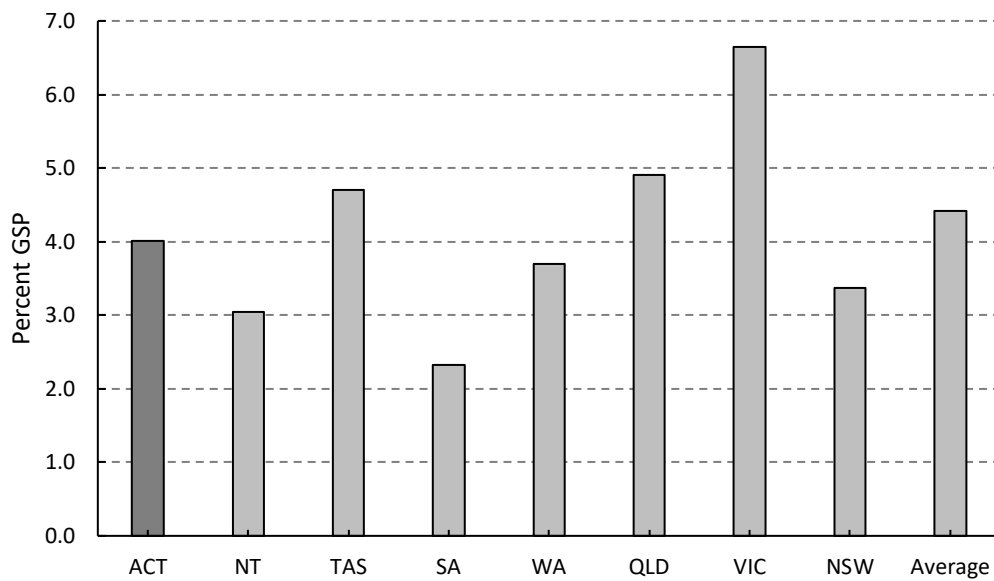
**Sources:** ABS 5220.0, 6202.0 Commonwealth circular of state and territory COVID-19 response announcements and CMTEDD calculations.

- Data for all states and territories other than the ACT are drawn from a circular prepared by the Commonwealth on state and territory COVID-19 response announcements to 18 December 2020, which included announcements in all jurisdictions' 2020-21 Budgets. As the ACT 2020-21 Budget was not released until after this time, ACT data are drawn from the new policy decisions outlined in the August 2020 Economic and Fiscal Update and the 2020-21 Budget.
- GSP excluding Commonwealth spending, excludes all Commonwealth expenditure. That is, government final consumption expenditure, general government capital formation and public corporation capital formation of the Commonwealth government.
- Jobs lost is calculated as the number of jobs lost between March 2020 and May 2020 from total employed.

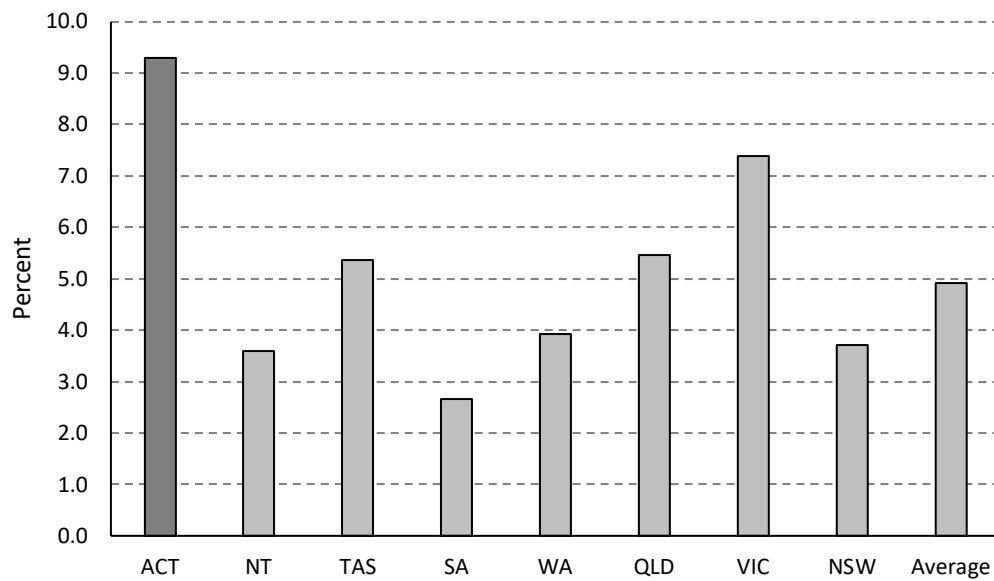
The indicative figures in Table 2 above show that while the ACT's support as a share of GSP is broadly consistent with other jurisdictions when the Commonwealth's contribution to GSP is included, it is the largest when measured as a share of local economic activity. Noting that there were significant job losses in Victoria after the peak from March to May 2020 for other jurisdictions, the ACT's stimulus spending relative to jobs lost is also the highest.

The following figures (based on Table 2 data above) present the ACT's performance relative to that of the other jurisdictions for the nominated metrics.

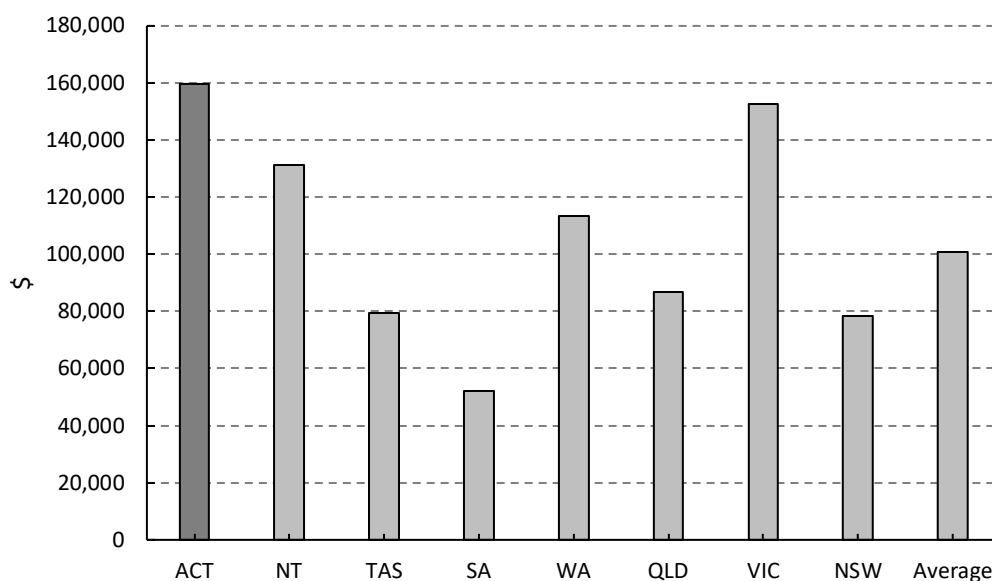
**Figure 1: Total support in percent GSP terms**



**Figure 2: Support as proportion of GSP excluding Commonwealth spending**



**Figure 3: Dollars spent per job lost**



It is too early to properly evaluate the impact of these stimulus measures. Robust economic analysis of stimulus measures is most appropriately undertaken sometime after the impact of the stimulus has washed through the economy and accurate data is available. The COVID-19 pandemic is still playing out with domestic border lockdowns occurring as recently as March, the vaccine rollout in an early phase, and many COVID-19 stimulus measures are still in place. The Commonwealth’s JobKeeper Payment scheme ceased in March and some ACT COVID-19 measures, including tax relief and freezes on fees and charges, are still in place.

Interpretation of this data also needs to have regard to the financial and policy levers available to particular jurisdictions and to the differing health and economic impacts across jurisdictions. The ACT’s fiscal response has been broadly consistent with those of other jurisdictions, noting that the public health and economic impacts of COVID-19 in the ACT have been less severe than in some other jurisdictions.

What is clear at this point is that the stimulus provided by all levels of government has supported activity, led to an increase in confidence and a return to a more positive economic and employment outlook in the Territory.

The COVID-19 pandemic and the necessary health restrictions had their most significant impact on the ACT economy in the June quarter 2020, with State Final Demand (SFD) falling by 1.8 per cent. This was largely a result of a substantial 11.5 per cent fall in private consumption expenditure, partially offset by a 5.4 per cent increase in public consumption due to increased spending to contain the spread of the virus and to boost frontline services in response to the pandemic.

More than 10,000 jobs were lost in the ACT in April and May 2020 when necessary health restrictions in response to the pandemic were first put in place, with the services sector most affected. Overall employment growth slowed from 4.3 per cent over the year to the March quarter 2020 to 0.5 per cent over the year to the June quarter 2020.

Following the fall in the June quarter 2020, State Final Demand (SFD) grew 2.4 per cent (revised up from 2 per cent) in the September quarter 2020, and 1.3 per cent in the December quarter. As a result, GSP growth in 2020-21 is likely to outperform the estimate of 2 per cent in the 2020-21 Budget. Economic growth is being supported by strong household consumption, dwelling investment and a faster recovery in private business investment that we had previously expected. Data released since the budget also suggest the economic outlook is even more positive than had been expected only a few months ago.

Employment growth has also recovered strongly, particularly between June and October 2020. This has resulted in employment recovering to near pre-COVID levels. Despite volatility in monthly employment data, the unemployment rate is now at 3.4 per cent, which is the lowest in the country. Recent payroll data confirms the recovery of the total number of payroll jobs for the month ending 13 March 2021 to be 0.6 per cent above the levels reported on 14 March 2020.

The economic consequences of COVID-19 could have been much worse for the ACT. The ACT Government's public health response and economic support measures have significantly contributed to the positive health and economic outcomes seen in the ACT, including increases in business and consumer confidence.

## **RECOMMENDATION 2**

**The Committee recommends that the ACT Government publish, on its website, the own-source revenue report.**

### Government response

Agreed.

This is published as part of the budget and is also published quarterly on the [Treasury publications website](#). At the time of drafting this response, the [December Quarter 2020 Consolidated Financial Report](#) is the most current document available.

## **RECOMMENDATION 3**

**The Committee recommends that the ACT Government supply, to the Standing Committee on Public Accounts, any documents that the ACT Government has supplied to the credit rating agency.**

### Government response

Agreed.

The Budget Papers have been provided to the Committee. A presentation highlighting areas from 2020-21 Budget Paper 3 that Standard & Poor's (S&P) officials advised they would like to discuss was provided to S&P. In addition, a liquidity questionnaire was completed as required by S&P. The presentation will be provided to the Committee in due course.



#### **RECOMMENDATION 4**

**The Committee recommends that the ACT Government publish current and historic credit agency reports, on the ACT Government website.**

##### Government response

Not agreed.

There is a regulatory limitation on posting ratings to a public website. S&P Australia has a wholesale-only licence and its ratings cannot be made available in a way that might be considered as influencing a 'retail' investor. Accordingly, S&P places a screen on its website to exclude access by retail investors. As the ACT Government website is a public website and is able to be accessed by anyone, including retail investors, S&P cannot provide permission for its rating reports to be published on it. For further information, please refer to 'ASIC information sheet 99' available at <https://asic.gov.au/regulatory-resources/financial-services/financial-product-disclosure/disclosure-of-credit-ratings-in-australia/>.

#### **RECOMMENDATION 5**

**The Committee recommends that the ACT Government pursue opportunities for lower cost financing.**

##### Government response

Agreed.

This Government's borrowing requirements are undertaken with full consideration of prevailing financial market conditions, investor demand, volume and term to maturity requirements and relative value of alternate borrowing options.

#### **RECOMMENDATION 6**

**The Committee recommends that the ACT Government provide, to the Standing Committee on Public Accounts, the modelling for determining whether land sales will deliver a surplus, particularly considering a great deal of the revenue associated with the establishment of a new suburb or estate is often re-invested in that suburb or estate.**

##### Government response

Agreed in part.

The Government's Budget reflects the development and sale of land by the Territory. The Suburban Land Agency publishes a Statement of Intent that details its expected profit from land sales. The Suburban Land Agency contributes to consolidated revenue through the provision of returns to government, including dividends, income tax equivalents, duty and land payments. Consolidated revenues fund Government investment in all suburbs, including new suburbs developed by the Suburban Land Agency. The Government invests heavily in developing liveable suburbs that have the necessary infrastructure and a high level of amenity, including schools, recreational facilities, transport infrastructure and community facilities and housing.

#### **RECOMMENDATION 7**

**The Committee recommends that the ACT Government closely monitor developments in and pressures on supply and demand in relation to land release and land sales and be prepared to make adjustments necessary to avoid unmet demand.**

#### Government response

Agreed.

The ACT Government is already closely monitoring the demand for, and supply of, residential, commercial, industrial, and rural land and regularly adjusts its Indicative Land Release Program (ILRP) to respond to the circumstances forecast for the next four years. The ILRP aims to ensure sufficient land is released to the market to cater for Canberra's population growth and demand for new housing.

#### **RECOMMENDATION 8**

**The Committee recommends that the ACT Government outline the plan, including the timeline, to achieve surplus.**

#### Government response

Noted.

Chapter 3 of the 2020-21 Budget Outlook identifies the key elements of the Government's fiscal strategy, namely that the Government is committed to:

- supporting the ACT economy to survive and recover from the COVID-19 pandemic;
- restoring public finances, after the impact of COVID-19 has passed, by systematically reducing debt over the long term; and
- strategically investing in infrastructure that improves wellbeing and supports economic growth in the longer term.

Additionally, Chapter 3 outlines the Government's commitment to the fiscal management principles of:

- sustainable economic growth;
- quality and efficient services;

- sustainable taxation and revenue;
- sound public finances; and
- a strong balance sheet.

The 2020-21 Budget also indicates that as the health and economic impacts of the COVID-19 pandemic pass, the Government will work to restore the Territory's budget. This will be undertaken in a gradual manner in full consideration of prevailing circumstances and consistent with the pace of our economic recovery, to ensure that high quality essential services can continue to be provided to the people of the ACT.

## **RECOMMENDATION 9**

**The Committee recommends that the ACT Government verify the figures, outlined in Fig 11, page 16, of the Pegasus Budget Advisers Report on the 2020-2021 Budget Estimates, and provide them to the Standing Committee on Public Accounts.**

### Government response

Agreed.

Table 3 below presents the Headline Net Operating Balances for the respective budget years. Figures were obtained from the General Government Sector – Operating Statement – Headline Net Operating Balance incorporated into Budget Paper 3 for each respective year.

The following observations are noted:

- For the 2012-13 profile, Pegasus has incorporated the Underlying Net Operating Balance, not the Headline Net Operating Balance (HNOB) (i.e. the ACT's preferred balance metric). The HNOB included impacts associated with Commonwealth funding for the development of the Majura Parkway.
- For the 2015-16 profile, Pegasus has incorporated the HNOB profile including impacts associated with the Asbestos Eradication Scheme (AES). The 2015-16 Budget presented the HNOB both with and without the impact of the AES.
- For the 2016-17 profile, Pegasus has incorporated the HNOB profile excluding the Superannuation Liability Valuation (SLV). The 2016-17 Budget presented HNOB profiles both with and without the SLV; both presentations were included in the Budget Papers to provide transparency as to the longer-term sustainability of the budget position.

**Table 3: Historical Headline Net Operating Balance profiles – ACT Budgets 2012-13 to 2020-21**

		Headline Net Operating Balance											
		2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
		\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Budget Paper	2012-13	-318.3	-130.2	-51.3	25.2								
	2013-14		-253.6	-99.5	29.3	47.1							
	2014-15			-332.8	-117.8	-26.3	77.5						
	2015-16				-407.6	-116.1	-51.2	50.3					
	2016-17					-182.0	-35.0	33.3	66.0				
	2017-18						-83.4	9.8	27.9	63.3			
	2018-19							36.5	44.0	25.9	52.5		
	2019-20								-89.1	-66.8	135.2	413.3	
	2020-21									-603.1	-474.7	-406.0	-369.1

**RECOMMENDATION 10**

**The Committee recommends that the ACT Government explore options to reform the payroll tax system, particularly how it can be modified to incentivise ACT businesses.**

Government response

Agreed in principle.

The current payroll tax system has a variable tax-free threshold, resulting in a higher tax-free threshold for employers with a higher proportion of ACT payroll. This means, for employers with the same tax base, those with a higher proportion of their Australia-wide payroll in the ACT have a lower average tax rate, with those that have their entire payroll in the ACT having the lowest average tax rate.

The Government has previously considered a range of payroll tax rates and tax-free thresholds, including more complex systems with multiple marginal tax rates. These were evaluated against efficiency, equity and simplicity criteria.

The Government decided to retain the existing system and increase the tax-free threshold from \$1.5 million to \$2 million to assist growing small businesses. This reduced the tax obligations for all employers, and with the variable tax-free threshold, those with a higher concentration of payroll in the ACT received a *larger* reduction in their payroll tax liability.

**RECOMMENDATION 11**

**The Committee recommends that the ACT Government continue to seek federal funding in accordance with ACT Government priorities.**

Government response

Agreed.

The ACT Government will continue to work with the Commonwealth and seek federal funding when available.

## **RECOMMENDATION 15**

**The Committee recommends that the ACT Government provide clearer disclosure of the key accounting principles it has adopted in its budgets.**

### Government response

Agreed in principle.

As detailed in the Government's response to Pegasus Economics' review of the 2020-21 ACT Budget, the Government remains committed to improving disclosures around the use of accounting standards in the Territory's budget papers. Following the 2019-20 estimates hearing, the Government agreed that disclosures would be considered as an area for improvement.

Given additional work associated with the impact of COVID-19 (for example, *Financial Management Act 1996* reforms, development of stimulus responses, etc), a more substantial review of disclosures was not possible in the 2020-21 Budget context.

There is no specific Australian accounting standard or authoritative view for the preparation and presentation of prospective financial statements. On this basis, the Territory's budget papers have been prepared having regard to applicable Australian Accounting Standards.

A desktop review indicates the ACT's disclosures are broadly consistent with other Australian jurisdictions.

Opportunities remain to improve the levels of disclosure which will be considered for future budget papers.

## **RECOMMENDATION 16**

**The Committee recommends that the ACT Government implement new accounting standards for Public-Private Partnerships (PPPs), ensuring that relevant historical revisions to key tables and graphs are also made available.**

### Government response

Agreed in principle.

The ACT Government will adopt accounting standards applicable to PPPs, such as AASB 1059: *Service Concession Arrangements: Grantors*, once the full impact of the standard is understood, including undertaking a determination of which PPP arrangements are in scope. This is consistent with the Government's approach to implementing new accounting standards in the next appropriate budget update once the standard's impacts have been fully evaluated.

The implementation of AASB 1059 in the 2020-21 Budget would result only in a presentational change from finance leases to service concession arrangement liabilities, both of which are classified as debt. There would be no impact on any headline debt metric. The standard ACT Government approach to implementation of this standard using the modified retrospective approach will apply and, in this case, no historical revisions to key tables and graphs will be required.

Impacts on key fiscal measures in the 2020-21 Budget as a result of adopting AASB 1059 would only be relevant for any new arrangements as AASB 1059 changes the timing of recognition of service concession arrangement liabilities from on completion (existing PPP finance lease arrangements) to during construction. There are no new arrangements of this nature forecast as part of the 2020-21 Budget estimates.

#### **RECOMMENDATION 17**

**The Committee recommends that the ACT Government provide more detailed reporting of election commitments and their implementation.**

##### Government response

Agreed.

The ACT Government's delivery of election commitments is routinely announced through Ministerial media releases and other forms of social media communication. Periodically, the Government will also release more comprehensive status updates, such as the [Progress on ACT Government commitments](#) released alongside the 2019-20 ACT Budget.

The Government will continue to increase direct communication with Canberrans to ensure the Territory's population remains appropriately informed as to election commitment delivery and implementation.

#### **RECOMMENDATION 18**

**The Committee recommends that the ACT Government update the page numbers of the electronic version of the Budget Papers to reflect the hard-copy documents.**

##### Government response

Noted.

The discrepancy between hardcopy and electronic versions was a result of a production oversight, but the page numbering of the online version has been retained so that it is consistent with the page numbering displayed by common PDF readers (i.e. not offset by factors such as inside cover pages, table of contents etc).

With only a small number of hardcopy documents being produced, the preference has been to reduce any potential confusion for online/electronic document users.

## **RECOMMENDATION 19**

**The Committee recommends that the duties of the Standing Committee on Economy and Gender and Economic Equality and the Standing Committee on Public Accounts are further clarified in relation to their scrutiny roles, including their examination of annual reports and budget estimates.**

### Government response

Agreed.

The Government strongly supports this recommendation. Matters were not appropriately assigned in this committee process. We will provide advice on the appropriate Committee to examine budget and annual report matters. Ultimately this is a matter for the respective Committees to consider.





## **Standing Committee on Environment, Climate Change and Biodiversity – April 2021**

The Standing Committee on Environment, Climate Change and Biodiversity released *Report 1 – Annual and Financial Reports 2019-2020 and Estimates 2020-21* on 1 April 2021. The response below addresses the recommendations relating to the 2020-21 Budget and the Appropriation Bills.

### **RECOMMENDATION 3**

**The Committee recommends that the ACT Government undertake an assessment of the infrastructure used to monitor and improve the water quality in Lake Tuggeranong.**

#### Government response

Agreed.

As part of the ACT Healthy Waterways program, waterway monitoring activities were evaluated extensively. Two internal reports were produced that examined the current status of waterway monitoring in the Territory. These programs made a series of recommendations regarding monitoring activities.

In general, existing monitoring programs were determined to be largely sufficient as background surveillance monitoring programs. A number of opportunities for synergies and cost savings across programs have been identified.

Monitoring of water (volume, flows) and water quality (e.g. physical and chemical parameters, bacteria and cyanobacteria) is undertaken with a range of in-situ infrastructure and non-infrastructure based methods. It should be noted that the vast majority of water quality monitoring undertaken in the Territory is not infrastructure-based.

The state of our lakes and waterways will be the focus of a new investigation by the ACT Commissioner for Sustainability and the Environment Dr Sophie Lewis. EPSDD will work with the Commissioner to review its monitoring program as part of this investigation.

### **RECOMMENDATION 4**

**The Committee recommends that the ACT Government update the Assembly on the delivery of the Big Canberra Battery, and on the uptake of the zero-interest loans available under the Sustainable Household Scheme.**

#### Government response

Agreed.

#### **Canberra Big Battery**

Action A1(v) of the Parliamentary and Governing Agreement specifies a government commitment to deliver at least 250 megawatts (MW) of new 'large-scale' battery storage (LSBS) distributed across the ACT. This could include a small number of large sites, as well as a series of distributed precinct-scale batteries.

The first phase of work will deliver a market sounding process, which will determine what types of packages of services and infrastructure the market can provide. This information will inform analysis of how the available LSBS services can be optimised for the ACT's distribution and transmission networks.

The market sounding process which launched on 16 April 2021 includes an industry information session, a co-design workshop and a confidential submissions process. A new web page outlining progress with the program will soon be added to the EPSDD website for interested parties.

### **Sustainable Households Scheme**

Through the Sustainable Households Scheme, households and non-profit organisations can access zero-interest loans between \$2,000 and \$15,000 to purchase:

- Household rooftop solar photovoltaic systems
- Reverse-cycle electric heating and cooling systems
- Hot Water Heat Pumps
- Induction stove tops
- Household battery storage systems
- New and used (grey imports and private sale) Electric Vehicles (EVs) and chargers/infrastructure.

The Actsmart website ([Actsmart.act.gov.au](https://actsmart.act.gov.au)) has been updated to include a provision for anyone interested in the scheme to register to receive further updates. More than 3,000 people have already registered. Actsmart has also planned a number of new online home energy improvement workshops to ensure people are informed about the choices they make.

Key parameters of the scheme have been developed through analysis and consultation, including an industry briefing held on 8 February 2021. A tender for provision of Sustainable Household Scheme Management Services is on the Tenders ACT website and closes on 10 May 2021. This seeks proposals for suppliers to deliver key services, recognising different potential models for delivery. An industry briefing on this tender will be held on 20 April 2021.

Once this tender process is complete, proposals will be assessed, contracts negotiated, and the scheme can commence when government agrees to final arrangements. The Government intends for the scheme to commence before the end of June 2021.

## **Standing Committee on Education and Community Inclusion – April 2021**

The Standing Committee on Education and Community Inclusion released *Report 1 – Annual and Financial Reports 2019-2020 and Appropriation Bill 2020-2021* on 7 April 2021. The response below addresses the recommendations relating to the 2020-21 Budget and the Appropriation Bills.

### **RECOMMENDATION 2**

**The Committee recommends that the ACT Government continue to provide free legal services in ACT public colleges and look to further opportunities to expand this service to ACT public high schools in the future.**

#### Government response

Agreed in principle.

The ACT Government provided \$0.2 million over two years (fully offset) in the 2019-20 Budget Review to this key service for vulnerable students and their families. Further funding for this program will be considered by the Government through 2021-22 Budget processes.

### **RECOMMENDATION 3**

**The Committee recommends that the Education Directorate expands its partnership with Legal Aid to provide education sessions in ACT public high schools on legal issues relevant to high school-aged children.**

#### Government response

Agreed in principle.

The partnership with Legal Aid forms an important part of the provision of specialist Legal Advice to vulnerable students and their families.

### **RECOMMENDATION 4**

**The Committee recommends that the ACT Government continues to support teacher librarians and considers further ways to enhance libraries in ACT public schools.**

#### Government response

Agreed in principle.

School libraries and librarians provide a positive impact on student literacy, reading and learning outcomes. The ACT Government provided \$0.9 million over four years to provide 50 scholarships over the next five years for teachers to undertake a Master of Education (Teacher Librarianship).

## **RECOMMENDATION 5**

**The Committee recommends that the ACT Government expedite the feasibility study for further college capacity in north Canberra, and if required, construction of further college facilities in Canberra's north.**

### Government response

Agreed.

The ACT Government is actively planning for further college capacity in North Canberra.

## **RECOMMENDATION 8**

**The Committee recommends that the ACT Government provide additional financial support for Registered Training Organisations to deliver training in the ACT.**

### Government response

Noted.

The Australian Apprenticeships (User Choice) program provides subsidised training for people seeking to undertake an apprenticeship or traineeship. It is demand-driven and uncapped. The ACT Government has committed to another Skilled Capital release in 2021-22 to target vocational education and training in areas of skills need, not undertaken as an apprenticeship or traineeship.

## **RECOMMENDATION 11**

**The Committee recommends that the ACT Government continue to provide updates to the Assembly on the repair work on the pool at Gungahlin Leisure Centre.**

### Government response

Agreed.

The ACT Government will continue to provide updates to the Assembly on the Gungahlin Leisure Centre.

## **Standing Committee on Economy and Gender and Economic Equality – April 2021**

The Standing Committee on Economy and Gender and Economic Equality released *Report 2 – Report on Inquiries into Annual and Financial Reports 2019-20 and ACT Budget 2020-21* on 9 April 2021. The response below addresses the recommendations relating to the 2020-21 Budget and the Appropriation Bills.

### **RECOMMENDATION 1**

**The Committee recommends that the ACT Legislative Assembly should ensure that parliamentary committee oversight of future ACT Budgets provides opportunities for the full participation of peak bodies and community organisations as has been the historical practice in the ACT.**

#### Government response

Agreed.

Peak bodies and community organisations have multiple avenues through which they can engage with the annual budget process. The ACT Treasury facilitates the annual Budget consultation process, which invites community input to inform the development of directorate business cases ahead of a budget.

In November and December 2020, CMTEEDD executives conducted eight meetings with a range of ACT industry and community representative organisations (including the ACT Council of Social Service and the Aboriginal and Torres Strait Islander Elected Body) to receive feedback on how particular sectors have been impacted by the COVID-19 pandemic, with a view to presenting information to the Government to enable informed decisions ahead of the 2020-21 Budget. These stakeholder discussion meetings will again be held ahead of the finalisation of the 2021-22 Budget.

In addition, on 1 December 2020, the Chief Minister and Senior Executives from across the ACT Public Service, met with a wide range of stakeholders, including representatives from business, community, environment, education, tourism and arts sectors, to discuss the economic recovery and budget priorities.

Community organisation participation from the perspective of the Parliamentary Committee process will be a matter for individual Committees to determine. The Government is supportive of any mechanisms that will permit increased participation by peak bodies and community organisations in the budget or other processes.

### **RECOMMENDATION 2**

**The Committee recommends that the ACT Government give due consideration to incorporating gender budgeting principles in all aspects of future COVID-19 recovery funding, initiatives and strategies.**

#### Government response

Agreed.

The business case template which directorates complete to bring forward new initiatives for Expenditure Review Committee/Cabinet consideration already contains sections that request details on how a new initiative will affect gender equality in the Territory, linkages to existing Government frameworks (such as the [ACT Women's Plan 2016-26](#)), and any engagement with local stakeholder groups. This input is also used to inform development of associated Budget publications, such as the [Women's Budget Statement](#).

The business case template has also been significantly revised ahead of the launch of the Territory's first [Wellbeing](#) budget in August of this year. While gender is not a specific wellbeing domain, directorates will be required to provide details of gender impacts (and the magnitude of those impacts) in the context of their wellbeing considerations.

#### **RECOMMENDATION 4**

**The Committee recommends that the ACT Government ensure that the needs of the health and community sector, as a growing sector, and a major creator of jobs and economic growth, are included in the Knowledge Capital – Future Jobs Fund program announced in the ACT Budget 2020–21.**

##### Government response

Agreed in principle.

The guidelines for the Future Jobs Fund (FJF) are currently being developed. The FJF aims to support growth and jobs in the ACT economy based on our strengths in tertiary education and research and our emerging growth industries, with a focus on partnerships (and co-investment) between the education, research and business sectors. The application of the FJF to health and the community sector will be considered in the context of these aims.

#### **RECOMMENDATION 5**

**The Committee recommends that the ACT Government in the implementation of COVID-19 investment recovery strategies give due consideration to avoiding risks associated with fragmenting the allocation of funding in a large number of small infrastructure projects in a desire to spend money rapidly at the expense of long-term priorities (for example, sustainability and resilience).**

##### Government response

Agreed.

Historically, infrastructure investment has formed an important and effective component of the Government's responses to economic shocks, as it is able to provide timely support to our community and businesses in times of need. Accordingly, the \$45 million Fast-Tracking Program incorporated in our COVID-19 response implemented numerous small to medium projects that could be implemented rapidly to support local employment outcomes; by December 2020, Phase 1 and 2 of the program had provided approximately 2,000 contracted positions (head count), with the employment outcomes of Phase 3 of the Fast-Track Program still to be finalised.

To maximise the immediate employment benefits it is important to have an infrastructure investment program that is varied in both financial size and the nature of the work. During periods of shock and of stability, the Government recognises it is also important to maintain a focus on the delivery of more significant projects to provide sustainable, productivity-improving and growth-enabling infrastructure for our city's future. A focus on larger, longer-term projects provides a pipeline of work for local industry, promoting local investment and planning certainty.

The 2020-21 Budget Outlook details a number of key projects in the 2020-21 Infrastructure Investment Program, such as the Big Canberra Battery; new high schools and a new primary school, road projects, and additional/refreshed public housing.

Good infrastructure takes good planning – and for major projects there are many years between concept design, business case development and consideration and construction completion. The Government will continue to be flexible in adjusting and implementing our infrastructure policies and programs in response to pandemic developments. Longer term planning documents, such as the [ACT Infrastructure Plan](#) and subsequent updates will be used to inform local industry of the Government's intentions.

#### **RECOMMENDATION 6**

**The Committee recommends that the ACT Government give due consideration to using public investment to support COVID-19 recovery over time. In doing so, any such investment should: (i) not be used as an adjustment variable; (ii) minimise fragmentation in the allocation of investment funds targeting COVID-19 responses; (iii) ensure allocation criteria are guided by strategic jurisdictional priorities; and (iv) integrate social and climate objectives into recovery plans.**

#### Government response

Noted.

The Fiscal Strategy and Policy Decisions chapters of both the August 2020 Economic and Fiscal Outlook and the 2020-21 Budget Outlook provide extensive coverage of the Government's rationale as to the application of public investment in supporting the Territory during the pandemic.

#### **RECOMMENDATION 12**

**The Committee recommends that the ACT Government review the provision of tied funding grants by ACT Treasury to ACT Government Directorates to address barriers this funding model presents in providing certainty of longer-term funding for the staff needed.**

#### Government response

Noted.

ACT Treasury does not provide “tied funding grants” to ACT Government Directorates. Budget decisions are determined by Cabinet and will, on occasion, include time limited programs and initiatives. Government priorities will change over time and not every program or initiative will be funded in perpetuity.

A Joint Union and ACT Government Taskforce into insecure work and outsourcing has been established by the ACT Government as a way to promote permanent employment and job security for employees within the ACT Public Service (ACTPS). The initial focus of the Insecure Work and Outsourcing Taskforce has been on temporary and casual direct employment in the ACTPS, while in its next phase, the Taskforce will consider more broadly the use of contractors and labour-hire in the ACTPS.

Enterprise Agreements provide for temporary and non-ongoing employees to apply in writing to their manager/supervisor to request an examination of their employment status where they have been engaged on a regular and systematic basis for at least twelve months and where they have a reasonable expectation that such arrangements will continue.

Efforts to reduce insecure work arrangements are also progressing across the ACTPS. As an example, the Education Directorate’s 2019-20 Annual Report notes that the Government successfully progressed the conversion of temporary classroom teachers through the Directorate’s internal teacher ratings system from July 2019, with 455 temporary classroom teachers made permanent. It also achieved the direct employment of school cleaners in January 2020.

Beyond this, the Directorate will commence a 12-month work program to implement the conversion of long term temporary and casual employees to permanency in the Directorate in August 2020.

#### **RECOMMENDATION 16**

**The Committee recommends that the ACT Government ensure continued funding of the Utilities Hardship Fund for 2020–21 and across the Budget outyears.**

#### Government response

Noted.

The ACT Government has provided funding for the 2020-21 financial year to this program. Further funding for this program will be considered by the Government through 2021-22 Budget processes.



### **RECOMMENDATION 17**

**The Committee recommends that the ACT Government continue to provide the Utilities Concession to eligible asylum seekers after 2020–21.**

#### Government response

Noted.

The ACT Government's concession program is targeted to assist those most in need. The Government will continue to ensure the eligibility conditions for the Utilities Concession and other assistance schemes remain appropriate. Further funding for this program will be considered by the Government through 2021-22 Budget processes.

### **RECOMMENDATION 18**

**The Committee recommends that Icon Water extend expansion of its Staying Connected hardship program to include small businesses for the 2021–22 financial year.**

#### Government response

Noted.

Icon Water recognises the economic impacts of COVID-19 on small business and agrees with the Committee's recommendation to extend the Staying Connected hardship program's inclusion of small business customers for the 2021-22 financial year.



## **Standing Committee on Health and Community Wellbeing – April 2021**

The Standing Committee on Health and Community Wellbeing released *Report 1 – Report 1— Annual and Financial Reports 2019-2020; Appropriation Bill 2020-2021 and Appropriation (Office of the Legislative Assembly) Bill 2020-2021* on 9 April 2021. The response below addresses the recommendations relating to the 2020-21 Budget and the Appropriation Bills.

### **RECOMMENDATION 4**

**That the ACT Government continue to expand ACT public health facilities.**

#### Government response

Agreed.

The ACT Government has allocated almost \$350 million (excluding provisioned works) across the health portfolio's infrastructure program over the next four years delivering new facilities, upgrades to existing facilities and IT infrastructure. This investment includes the Canberra Hospital Expansion – Critical Services Building, which is the largest health infrastructure investment since self-government.

The ACT Government is also developing a Territory-wide Health Services Plan, which will identify priorities for health service development and redesign over the next five to 10 years and inform infrastructure planning. In addition, the Canberra Hospital Master Plan project is currently underway and is looking at the development of infrastructure on the hospital campus over the next 20 years. Planning is also underway for a new Northside hospital as our city continues to grow.

### **RECOMMENDATION 7**

**That the ACT Government build more walk-in health centres across Canberra.**

#### Government response

Agreed.

Through the 2020-21 Budget, the ACT Government committed over \$750,000 for a new walk-in health centre in Coombs, to open in July 2021, and \$2 million to undertake a feasibility study for a further four walk-in health centres over 2020-21 and 2021-22. This funding will help build on the Government's commitment to providing health care for Canberrans closer to home, when and where they need it.

### **RECOMMENDATION 11**

**That CSD develop clearer guidelines for the conduct of contracting to better balance stability and certainty with allowing opportunity for new providers to qualify for contracts.**

#### Government response

Noted.

CSD must comply with the *Government Procurement Regulation 2007* when procuring goods or services on behalf of the Territory. There are current Policies that are in place that provide opportunities for providers to tender including small, medium enterprise (SME's), Indigenous suppliers, Local enterprises. However, this does not guarantee they will qualify for contracts. All tenders submitted are evaluated by an Evaluation Team and are assessed and scored against weighted and non-weighted criteria.

### **RECOMMENDATION 23**

**The Committee recommends that the ACT Government continue its renewal program for public housing stocks.**

#### Government response

Agreed.

On 5 August 2020, the ACT Government announced the expansion of Growing and Renewing Public Housing Program, providing longer-term economic stimulus through the allocation of an additional \$32 million in land and \$20 million to extend the program for a sixth year, funding the construction of 60 additional new public housing dwellings and expansion of the Program to 30 June 2025.

The \$32 million for new land will be used to purchase up to an additional 52 vacant available lots from the Suburban Land Agency or Asbestos Response Taskforce.

On 3 November 2020 the Parliamentary and Governing Agreement has committed to a further expansion of the Growing and Renewing Public Housing Program, to deliver an additional 140 new public housing dwellings.

### **RECOMMENDATION 26**

**The Committee recommends that, when provided in future publication of such spending, information on the breakdown of expenditure from the Domestic Violence Levy be provided not only as a global spend from the Fund, but as a detailed breakdown of the allocation of funds.**

#### Government response

Agreed in principle.

A detailed breakdown of Safer Families Levy fund expenditure is already included in Budget papers. In the 2019-20 Budget, Appendix H listed all funding and expenditure initiatives for the Safer Families Levy in 2019-20 (Table H.1), along with priorities in 2020-21 (Table H.2).

## Standing Committee on Planning, Transport and City Services – April 2021

The Standing Committee on Planning, Transport and City Services released *Report 1 – Estimates 2020-21 and Annual Reports 2019-20* on 9 April 2021. All recommendations provided in this report have been responded to below.

### RECOMMENDATION 1

**The Committee recommends that the ACT Government put forward specific proposals for a revised planning system so that the ACT community is able to consider implications, respond, and contribute to the process of devising a future planning system**

#### Government response

Agreed.

The ACT Government has endorsed directions for a revised planning system, with six Directions papers being released in November 2020 and available at the following link: <https://www.yoursay.act.gov.au/act-planning-review/review-reform-developing-better-planning-system-canberra>.

Work is being undertaken throughout 2021 to implement the approved directions and to draft new planning legislation. Community and industry engagement will be undertaken on some of the new elements of the system.

### RECOMMENDATION 2

**The Committee recommends that the ACT Government consider developing an adaptive reuse policy to ensure that Canberra better uses existing assets in those instances where adaptive reuse results in less waste, and less embedded and ongoing emissions.**

#### Government response

Noted.

The ACT Planning System Review and Reform Project seeks to deliver a planning system that is clear and easy to use, while maintaining Canberra's historic built landmarks and character. The intent is to deliver a planning system that extends the lifespan of our existing buildings where possible and reinvents key buildings across the city.

Transitioning from factory to office, or office to mixed use residential development, like the A&A buildings in Woden, will help to maintain the character of Canberra while reinventing places and spaces. In addition to the Planning Review, the Government will also consider other areas that may assist in achieving these goals, such as building and climate policy. Noting that adaptive reuse is already utilised for heritage assets in the ACT. Two examples of adaptive reuse of heritage listed places are the Canberra Glassworks at the former Power House in Kingston and the proposed residential and public access development at the Yarralumla Brickworks.

### **RECOMMENDATION 3**

**The Committee recommends that the Environment, Planning and Sustainable Development Directorate conduct a comprehensive assessment of the effect on flora and fauna after fires in the Orroral Valley in the summer of 2019-20 and publish findings and action plans by the end of the 2021-2022 financial year.**

#### Government response

Agreed.

Extensive work is currently underway to assess the impact of the Orroral Valley fires on key ecological values and inform recovery efforts. This work (by Conservation Research, ACT Parks and Conservation Service, and Resilient Landscapes branches) was guided by the report of the Government's Rapid Risk Assessment Team (RRAT), which undertook an immediate assessment of the burned area as soon as it was safe to do so.

The assessment of impacts on fauna and flora includes understanding the effect of fire on predator diet composition (foxes and cats), frog survival and recovery, the endangered Broad-toothed Rat, high priority threatened flora species and vegetation communities, Reik's crayfish, the threatened fish Macquarie Perch and Two-spined Blackfish and weed infestations. Longer-term work will track the recovery of the high-country bogs (critical habitats for many species, as well as water supply) and the sub-alpine woodlands.

A preliminary update on this work is available in story map form at <https://www.environment.act.gov.au/nature-conservation/science-platform/science-and-research-news/bushfire-recovery-programs>, and findings and action plans can be generated by the end of the 2021-2022 financial year.

### **RECOMMENDATION 4**

**The Committee recommends that the ACT Government consider limiting extensions of time on requirements to commence and complete development on Crown leases.**

#### Government response

Noted.

The ACT Government will consider the policy for extensions of time for commencement and completion of development under Crown lease provisions in the Planning System Review and Reform Project. The Government is conscious of the need to provide a balanced approach to development conditions, recognising that land is sold to be developed and some lessees encounter external factors beyond their control which affect their ability to develop land in a timely manner.

## RECOMMENDATION 5

**The Committee recommends that the 2022 review of the National Construction Code include addressing the significant changes to climate and other conditions brought about by climate change.**

### Government response

Agreed in principle.

The National Construction Code (NCC) is produced and maintained by the Australian Building Codes Board on behalf of the Commonwealth and each state and territory government. The NCC is a uniform set of technical provisions for the design and construction of buildings and other structures and plumbing and drainage systems throughout Australia while allowing for variations in climate and geological or geographic conditions. The goal of the NCC is to enable the achievement of nationally consistent, minimum necessary requirements for safety and health, amenity and accessibility, and sustainability in the design, construction, performance and liveability of new buildings. The NCC is updated every three years with NCC 2022 currently under development.

The Government is continually improving its knowledge of likely climate change impacts, including unfortunately real recent experience with bushfires, smoke, hail, flooding and heat. The ACT is working with NSW to develop more detailed future projections of likely changes to the climate through NarClim modelling. This will provide a much better information base for decision making. This information, together with support for risk assessment, will be shared throughout the ACT Government to improve the Territory's preparedness for and resilience to these impacts.

Complementary to this, the Parliamentary and Governing Agreement for the 10th Legislative Assembly for the ACT includes commencement of a 10-year pathway to shift to world's best practice on climate-ready and environmentally sustainable buildings, including expanding the ACT Appendix to the Building Code of Australia.

## RECOMMENDATION 6

**The Committee recommends that the SLA take into account sustainability requirements for all land releases in all locations, including ensuring block and building sizes allow enough space to meet the 30 per cent tree canopy and 30 per cent permeability targets, cycle and footpath connections encourage active travel, developments are built and are oriented to ensure they have a low energy footprint, all car parks have separately-metered electrical wiring for electric vehicles and new developments do not have gas connections.**

### Government response

Agreed in part.

Draft Variation to the Territory Plan No.369 – Living infrastructure in Residential Zones (DV369) proposes changes to all residential zones (RZ1 to RZ5) that will contribute towards the targets for tree canopy cover and permeable surfaces in urban areas, as outlined in Canberra’s Living Infrastructure Plan: Cooling the City 2019. The date to provide written comments was extended until 8 May 2020. A total of 82 submissions were received. A report on consultation is being prepared in response to the issues raised.

SLA complies with Government’s planning, sustainability and environmental requirements for land developments articulated in the ILRP.

#### **RECOMMENDATION 7**

**The Committee recommends that Sport and Recreation engage in a structured way with private recreational facilities like golf courses and other sports grounds to provide them with information and expertise about low-water maintenance of grass and sporting facilities.**

##### Government response

Agreed in principle.

Sport and Recreation does not have capacity to engage in a structured way but is able to act as a point of contact for private industry requests and where appropriate refer these requests to providers within the turf management industry.

#### **RECOMMENDATION 8**

**The Committee recommends that the ACT Government acquire suitable equipment so that it has the capability to assess cycle and pedestrian path surfaces across the network.**

##### Government response

Agreed in principle.

ACT Government officers currently inspect the community path network moving around by foot, undertaking visual condition assessments and using ArcGIS collector app to manually enter the visual condition and defect data, including photos.

The use of an e-bike to improve an inspector’s movement efficiency is currently being trialled as part of the COPA (Community Path Audit) project. Based on the findings of this trial, Roads ACT will make recommendations for changes to the planned path inspection program, subject to other considerations such as safety.

The intention of the trial is to measure if the productivity of a path inspector can be improved with the use of an e-bike as a transport. Inspectors will still use their current method (ArcGIS collector app) to manually enter visual condition and defect data including photos.



Options for attaching equipment or assessment devices to the e-bikes (or other transport means) to assist in computerised condition assessments could be explored in future subject to suitable available technology which is able to assess condition of various path surfaces, namely asphalt, concrete, pavers or granite.

#### **RECOMMENDATION 9**

**The Committee recommends that the ACT Government set a target of 90 per cent of bike paths and footpaths being maintained in good condition, as is done for roads.**

##### Government response

Noted.

Roads ACT supports development of a strategic indicator for the condition of bike paths and footpaths. Recommendations regarding future path condition indicators or targets will be made in the context of a planned review of indicators during 2021-22.

#### **RECOMMENDATION 10**

**The Committee recommends that PCS and TCCS work together and take ongoing advice from the ParkCare groups to conduct more native plantings in urban areas to produce better habitat and reduce the need for mowing, as has been done at Ginninderry.**

##### Government response

Agreed.

PCS and others in EPSDD along with TCCS will continue to collaboratively engage with Parkcare/Landcare groups and others with an interest in the urban forest and in Canberra Nature Park to identify opportunities to undertake more native plantings in urban areas and along the urban fringe. Other land management responsibilities such as fire fuel management and the preservation of utility easements will at times impact on where new plantings can be established.

#### **RECOMMENDATION 11**

**The Committee recommends that when reporting on waste and recycling, the ACT Government quote figures for tonnes of waste recovered and waste sent to landfill.**

##### Government response

Agreed in principle.

ACT NoWaste will continue to provide reliable waste and recycling data that is relevant to the audience and the reporting context.

## **RECOMMENDATION 12**

**The Committee recommends that ACT Government use existing surveys and/or other existing means to determine what customers would have done with the material if they had not used the Bulky Waste service and whether the service is increasing waste to landfill.**

### Government response

Noted.

It is not possible using existing surveys or other existing means to respond to this question, noting the difficulties in establishing a valid methodology and approach using pre-existing data.

To date, the bulky waste service has recorded a 38.8 per cent recovery rate, meaning a significant share of collected materials are being diverted from landfill and recycled or re-purposed through partnerships with organisations like Vinnies and GIVIT.

## **RECOMMENDATION 13**

**The Committee recommends that Transport Canberra formulate and adopt a policy on hiring further female bus drivers, which includes measures to ensure accessibility of these positions to women, and clear targets.**

### Government response

Agreed.

Transport Canberra is actively discussing possible options to enhance access to positions and provide opportunities for attracting and retaining more female bus drivers. This includes consideration of the relevant recruitment channels, community stakeholder groups, employment programs and workplace requirements, as well as the efficacy of identified positions, programs and targets and related policy. These investigations and discussions will inform future workforce planning and strategy going forward.

## **RECOMMENDATION 14**

**The Committee recommends that Transport Canberra conduct surveys with women who are bus drivers and women who are not yet in that workforce to find out the barriers to entry.**

### Government response

Agreed.

As part of the above investigations and discussions, Transport Canberra expects to work with relevant Government and non-government stakeholders and existing staff to understand the key barriers to entry and the options which might improve access to and uptake of bus driver positions by women.

## **RECOMMENDATION 15**

**The Committee recommends that ACT Government investigate a convenient on-demand app to book on-demand Flexibus services alongside options to call or book online.**

### Government response

Agreed.

Transport Canberra will be commencing a working group with ACTCOSS and CSD to review and identify the optimal approach to providing flexible and on-demand services to meet the future needs of the community, particularly for disadvantaged and vulnerable user groups. This work will inform the development of future pilot service initiatives. Transport Canberra is currently considering the role that on-demand apps can play in relation to flexible transport as well as in the design of the Transport Canberra Next Generation Ticketing system.

## **RECOMMENDATION 16**

**The Committee recommends that that future works in Braddon incorporate best practice cyclist and pedestrian safety.**

### Government response

Agreed.

The upgrade to Lonsdale Street aims to further improve the amenity and appeal of Braddon mixed-use area by making it more pedestrian and cyclist friendly and improve the pedestrian connection from the city to Haig Park.

Improving conditions for cyclists is an important objective with planned future improvements to the existing Mort Street cycle path route.

Concept designs are available for comment on the [Yoursay page](#), with a closing date of 26 May 2021. The project is anticipated to reach final design state and progress to construction tender in mid to late 2021.